



Senator Jamaal Bailey
Chair, Standing Committee on Insurance
LOB 714
Albany, NY 12248

Re: Letter in support of S.4867, prohibiting the application of prior authorization or step therapy protocols for the diagnosis and treatment of serious mental health conditions

Dear Senator Bailey:

Aimed Alliance is a non-profit health policy organization that seeks to protect and enhance the rights of health care consumers and providers. We are writing to express our support for Senate Bill 4867, which prohibits the application of prior authorization or step therapy protocols to coverage for the diagnosis and treatment of serious mental health conditions. We respectfully urge your office to swiftly pass this legislation to ensure timely access to these critical medications.

I. Utilization Management Tools Impede Mental and Behavioral Health Treatments

Serious mental illnesses (SMIs) such as schizophrenia, schizoaffective disorder, bipolar disorder, major depressive disorder, and severe post-traumatic stress disorder (PTSD) are mental, behavioral, or emotional disorders that limit one or more major life activities.¹ Approximately one in 25 individuals will be diagnosed with an SMI,² and the Centers for Medicaid and Medicare Services (CMS) estimates that nearly ten percent of these individuals are Medicaid beneficiaries.³ SMIs often require highly individualized treatment plans and access to timely and appropriate mental health treatment is critical.

Unfortunately, utilization management barriers, such as step therapy and prior authorization, often impede timely access to treatment. Step therapy requires patients to try and fail alternative treatments before they can access their originally prescribed medications. Without appropriate guardrails, step therapy can be inconsistent with clinical practice guidelines, shift plan costs

¹ Sivan Regev and Naomi Josman, *Evaluation of executive functions and everyday life for people with severe mental illness: A systematic review*, 21 SCHIZOPHRENIA RESEARCH: COGNITION (Sept. 2020).

² *Id.*

³ CMS, *2023 Medicaid & CHIP Beneficiaries at a Glance: Adult Behavioral Health*, <https://www.medicaid.gov/medicaid/quality-of-care/downloads/adult-behavioral-health-infographic.pdf>



without providing plan savings,⁴ and lead to irreversible disease progression.⁵ Similarly, prior authorization policies require a health care provider or a health plan enrollee to first obtain approval from the insurer or its pharmacy benefit manager before the plan will cover the cost of a treatment or service.⁶ Seeking prior authorization can take weeks, or even months, often leaving the patient to continue to experience symptoms without relief.⁷

For patients with serious mental health conditions, step therapy and prior authorization can be particularly harmful. The nature and complexities of SMIs make utilization management tactics particularly inappropriate for individuals living with these conditions. The effectiveness of SMI medications varies widely among individuals, and ineffective or inappropriate treatments can lead to severe side effects, including increased instability, emergency crises, and higher long-term healthcare costs due to increased emergency interventions and hospitalizations.⁸ By forcing patients to endure delays for insurance approval or to fail on ineffective treatments before accessing the medication originally prescribed, step therapy and prior authorization jeopardize patients' safety and prioritize cost-cutting measures over health and well-being.⁹ Given the serious consequences of these policies, it is imperative that New York takes action to protect access to these medications without unnecessary delays.

As such, Aired Alliance urges your office to take the necessary measures to swiftly pass S.4867, prohibiting the application of prior authorization or step therapy protocols for coverage of the diagnosis and treatment of serious mental health conditions. Prohibiting utilization management tactics for treatments of these conditions will ensure that patients promptly receive the most effective medication, leading to improved treatment outcomes and reduced hospitalizations, ultimately improving costs for the state.¹⁰

⁴ Rachel E. Sachs, *Step Therapy's Balancing Act – Protecting Patients while Addressing High Drug Prices*, (Mar. 2023), <https://pmc.ncbi.nlm.nih.gov/articles/PMC9067323/#:~:text=Step%20therapy%20controls%20costs%20by, costs%20of%20care%20are%20uncertain>.

⁵ For instance, a recent article published in the *New England Journal of Medicine* stated, “[e]vidence suggests that such protocols reduce spending for targeting therapies, *although the implications for total costs of care are uncertain*” [emphasis added]. *Id.*

⁶ Sara Berg, What doctors wish patients knew about prior authorization, American Medical Association (Sept. 11, 2023), <https://www.ama-assn.org/practice-management/prior-authorization/what-doctors-wish-patients-knew-about-prior-authorization#>.

⁷ *Id.*

⁸ National Alliance on Mental Illness, *Medications: Step Therapy*, <https://www.nami.org/advocacy/policy-priorities/improving-health/medications-step-therapy/>; Andis Robeznieks, *Why prior authorization is bad for patients and bad for business*, <https://www.ama-assn.org/practice-management/prior-authorization/why-prior-authorization-bad-patients-and-bad-business#:~:text=What's%20the%20news:%20Prior%20authorization, having%20a%20healthy%2C%20productive%20workforce> (Feb. 18 2022).

⁹ Louis Tharp and Zoe Rothblatt, *Do patients benefit from legislation regulating step therapy?*, 17 HEALTH ECONOMICS, POLICY AND LAW 282-97, (2022); Andis Robeznieks, *supra* note 8.

¹⁰ *Id.*



II. Conclusion

In conclusion, given the significant consequences imposing utilization management like step therapy and prior authorization can have on individuals living with SMIs, it is essential to take action to protect timely access to these critical medications. We respectfully urge you to pass S.4867 and ensure that patients with SMIs receive the treatments they need without unnecessary delay or disruption.

We greatly appreciate your time and attention to this matter and would be grateful for the opportunity to meet with your office to discuss this issue in greater detail.

Sincerely,

Olivia Backhus
Staff Attorney